

**U.S. ENVIRONMENTAL PROTECTION AGENCY
INITIAL POLLUTION REPORT**

I. HEADING

Date: January 4, 1993
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TAT

Subject: Frontier Chemical Processes, Inc., Niagara Falls,
Niagara County, NY - Cyanides, Oxidizers,
Corrosives, Halogenated & Non-Halogenated Solvents

POLREP NO: One (1)

II. BACKGROUND

SITE/SPILL NO.: AY
D.O. NO.: 0026-02-036
RESPONSE AUTHORITY: CERCLA/SARA
NPL STATUS: Non-NPL
START DATE: December 21, 1992
APPROVAL STATUS: Verbal Authorization of Funding
from Deputy Regional Administrator
STATUS OF ACTION MEMO: Pending

III. RESPONSE INFORMATION

A. Situation

1. Frontier Chemical Processes, Inc. (the "Site") is a former hazardous waste processing facility located within a heavily industrialized section of Niagara

County at 4226 Royal Avenue, Niagara Falls, New York. The Site was in operation until December 22, 1992.

2. The Site, founded in 1958, primarily engaged in three types of hazardous waste processing/management including wastewater treatment, fuels blending, and bulking for off-site disposal. During the years of peak operation approximately seventy-five (75) people were employed. When the site was closed by the U.S. Environmental Protection Agency (EPA) and New York State Department of Environmental Conservation (NYSDEC) on December 22, 1992, four personnel were operating and maintaining the Site. Frontier has not been a subject of high interest for the local citizens since the facility is not situated near residential dwellings.
3. As part of the Site's NYSDEC 373 Permit, Frontier paid money into the NYSDEC monitoring program for NYSDEC monitoring at the Site. The NYSDEC used these full-time monitors for oversight of operations at Frontier for the last eight years. These monitors have documented numerous instances of waste tracking and facility violations.
4. From information provided to EPA, it appears that Frontier is a wholly owned subsidiary of Environmental Service Associates, Inc., which is in turn a wholly owned subsidiary of Envirocare Management Corporation, Inc. There also exists a number of "sister corporations"; all do business under the name of "The Frontier Chemical Group" and are located at the same address. The sister corporations are Envirocare Marketing Corporation (the marketing arm of Frontier), Cataract Industrial Warehousing & Transportation, Inc. (associated with transportation requirements of Frontier), and Resource Recovery, Inc. (set-up for a marketing approach never realized and therefore never utilized). These corporations have traditionally acted as service components to Frontier, the only entity which holds the NYSDEC permits to operate a hazardous waste facility.
5. Between 1973 and 1984 the NYSDEC issued nine Consent Orders to Frontier which imposed monetary fines for regulatory violations.
6. During the early 1980's, as more restrictive regulations were implemented and available, the compliance capability of Frontier became increasingly erratic. This led to the issuance of a NYSDEC Administrative Complaint in 1985 seeking termination of Frontier's permitted status. During this period,

Frontier was purchased by EnviroSure Management Corporation which negotiated a resolution to the complaint.

7. In 1985 and 1986, eight Consent Orders dealing with historical violations, as well as current and past Site remediation concerns, were issued. These orders imposed substantial fines and required more operational controls at the site. These consent orders also required implementation of investigative/remedial plans for Frontier's previous, separate disposal site of wastewater treatment sludges. This previous, separate disposal site, is known as the Pendleton Site is located in Niagara County and is a part of the State's Inactive Hazardous Waste Site Registry.
8. In 1987, two Consent Orders were issued for Frontier's breach of remedial schedules at the inactive Pendleton Site, as well as for the current site's groundwater investigation. The company was fined and the dates of the compliance schedules were updated. Frontier subsequently breached the new schedule for the Pendleton site.
9. In 1988, NYSDEC Facility Monitors documented RCRA violations. Their record reviews led them to suspect that Frontier had intentionally violated the initial 1st third of EPA land bans in November, 1988 by falsely filing manifests. This illegal procedure involved the "redesignation" of drum waste received by the facility as F-coded material (required to be incinerated after November 7, 1986) to D-coded waste (which could still be landfilled). The NYSDEC Bureau of Environmental Conservation Investigations (BECI) and the Federal Bureau of Investigations (FBI) jointly investigated and confirmed the scheme which resulted in an indictment.
10. The indictment, against Frontier and its sister and parent corporations, charged eighteen counts of records and manifest falsifications on eight manifests. The falsifications resulted in the landfilling of approximately forty drums which should have been incinerated. The investigation was unable to develop sufficient information to indict the principals of the corporation or any of its employees. The indictment was returned on February 13, 1990.
11. The RCRA violations of 1988 and 1989 were resolved by a Consent order issued on January 30, 1990, which imposed fines and required various operational/abatement measures.

12. On March 8, 1990, the EPA suspended Frontier from all Federal procurement activities and the receipt of waste from CERCLA Removal Actions. As a result, Frontier's ownership/management decided to withdraw from the hazardous waste management business and offered the facility for sale with interested companies.
13. In response to Frontier's desire to sell, a Canadian Company, Rowe Consolidated Holdings (RCH), Inc., entered into both a Stock Purchase Agreement and a Management Agreement with the owners. A Stock Purchase Agreement would ultimately result in the termination of previous ownership. The Management Agreement would immediately terminate the day-to-day operational control of the previous ownership/management. The RCH group hired Gerry Norton to effectuate the turnaround of Frontier. RCH also petitioned EPA to lift its suspension.
14. The suspension was lifted by EPA on October 3, 1990, by way of Contract Compliance Agreement. This determination was based essentially upon the relinquishment of present and future control by Frontier.
15. In the summer of 1991, due to the unresolved indictment and subsequent downturn in client revenue, RCH decided to terminate its takeover. Apparently, Norton believed that the economic and compliance resurrection Frontier made good business sense and solicited another group of investors known as Eagle Vision, Inc., to replace RCH. Eagle Vision Inc., is a Colorado chartered, Florida based corporation. On August 13, 1991, Eagle Vision assumed Frontier from RCH via issuance of a new Stock Purchase Agreement and Management Agreement.
16. Hazardous Waste facilities are required to maintain a surety bond which is an "insurance" policy that a facility has, which guarantees ample money to close a facility if necessary. Frontier currently has a \$1,500,000 bond which will soon be called by the NYSDEC. Currently, the NYSDEC is exploring mechanisms for the transfer of funds to EPA.

B. Actions Taken

1. On December 4, 1992, the NYSDEC Commissioner, Thomas C. Jorling signed a "Modification to Summary Abatement Order and Notice of Hearing" pertaining to the Site. Frontier responded to the NYSDEC that they waived their right to an hearing resulting in the order being

equivalent to a civil judgement. In the Order, the State required Frontier to remove 250 drums from the Site and establish escrow accounts for security against non-payment of utility bills and employee salaries by December 22, 1992 or close the facility. The Order also enabled the NYSDEC to initiate an emergency removal action conducted by either the NYSDEC or EPA in the event that Frontier failed to meet the terms of the Order.

2. On December 7, 1992 RCRA management briefed the DRA. The RAB briefed RCRA, ORC, EPD, OEP, and the Director's Office on the status of the Site and the pending removal action.
3. On December 22, the EPA On-Scene-Coordinator (OSC), Kevin Matheis, met with NYSDEC Regional personnel at the Site. He was briefed of the NYSDEC's intent to serve Eaglevision Environmental (the Frontier management company) a notice of the NYSDEC Right to Invoke Action (RIA). The RIA is based upon Eaglevision's non-compliance of the terms of NYSDEC's Summary Abatement Order (December 4, 1992). The RIA stated that the NYSDEC and EPA were invoking their right to enter into the facility and initiate appropriate emergency removal actions. This RIA was signed by John Spagnoli, Regional Director of NYSDEC Region IX.
4. The NYSDEC and EPA met with Mr. John Trela, the plant manager. Mr. Trela stated that Eaglevision would not be able to comply with the terms of the Summary Abatement Order. The NYSDEC issued the RIA at that time and personnel at the Site were told by EPA to vacate the premises. Mr. Trela told EPA that the Site was in the process of discharging approximately 70,000 gallons of rainwater collected on site and were awaiting final confirmation from the City of Niagara Falls wastewater treatment plant to finish the discharge. Prior to the confirmation Mr. Trela left for the day.
5. On Wednesday, December 23, the OSC met with TAT, ERCS and the NYSDEC facility monitor. EPA is attempting to retain the monitor since he has a thorough knowledge of the facility and its operating practices. The monitor continues to conduct routine rounds on a daily basis. These rounds include an inspections of all drums, tanks and valves on-site. The monitor provides the OSC with problems or issues that should be addressed and the OSC decides the next course of action.

6. New locks have been placed on the perimeter fence of the site, and all administrative buildings to ensure site security. The administrative buildings were the administrative offices for Eaglevision/Frontier and contain all the personnel and enforcement sensitive material. Custody seals were placed on all files as a safeguard against tampering. Only the EPA has the keys to the enforcement sensitive files.
7. The OSC contacted the City of Niagara Falls wastewater treatment plant and received approval to discharge the 70,000 gallons in the tank. The tank was one of two at the Site that collects self-contained runoff by automatic sump pumps and manual pumping. The other tank is due to fill by the following week. Discharge parameter and requirements are being coordinated with the City of Niagara Falls.
8. On December 22, 1992, the OSC and the RAB Section Chief mobilized ERCS to the Site. ERCS solicited security personnel immediately from the ERCS offices. ERCS and TAT met security who were given explicit instructions and the Site was left secured for the night.
9. On December 23, 1992, the OSC met with Kevin Guenther, the former head of maintenance at Frontier Chemical. The OSC, ERCS Response Manager, and Mr. Guenther toured the Site and assessed the integrity of the tanks and boilers located on site and locate any immediate hazards. A fencing sub-contractor began installing gates in the parking lot where the command post will be located.
10. On December 23, 1992, Mr. Frank Shattuck of the NYSDEC Region IX office visited the Site and the OSC briefed him about the current activities.
11. To ensure response coverage over the Christmas weekend, ERCS mobilized a technician and foreman to the Site. The OSC was also on site over the Christmas holidays to ensure that the Site is maintained.
12. The utility companies have assured EPA that no gaps in service will occur during the transition from Eaglevision/Frontier to EPA. The boilers on site are critical to the numerous overhead piping and water lines because they provide steam to the plant. The steam is used to trace the pipes so the lines do not freeze in the cold weather. A boiler maintenance company has been secured for a 24-hour response in case of a boiler break down.

13. On December 23, 1992, the OSC gave a brief tour of the Site to the Office of External Programs (OEP) Niagara Falls to ensure that the latest information about the Site is relayed to media agencies and to elected officials.
14. On December 25-27, ERCS provided response personnel for the coverage at the Site to respond to any incidents or spills. EPA checked the Site each day and directed ERCS to perform maintenance tasks necessary due to the cold and windy conditions at the Site.
15. On December 28, ERCS finalized arrangements for all command post set-ups including phones and electric. EPA, TAT and ERCS are on 24 hour call in the event of any emergency. As of January 6, 1993, the Command Post setup has been completed.
16. On December 29, the NYSDEC monitor reported a potential spill at a drum storage area on-Site. ERCS immediately diked the spill area and TAT provided air monitoring. The potential spill was water from a broken steam tracer return line. The steam line was fixed. Also, severe flooding rains and melting snows had raised the rain water levels that are in secondary containment to levels that demanded urgent attention. The Site is entirely secondary contained and the facility has their own Calgon system to pretreat the water prior to storage in the tanks on Site dedicated to water storage until discharge is approved by the City of Niagara Falls POTW. ERCS determined that the best way to pump the numerous and complex sumps was to rehire three key Frontier employees who have the full maintenance knowledge of the Site. These personnel were processed through the ERCS contractor, and on December 30, pumping of the sumps began. These key personnel have working knowledge of all the pipelines, water lines, steam lines, boilers, and other maintenance services that a decaying hazardous waste facility needs.
17. At 0130 hours on December 31, the fire alarm in the main flammable storage building sounded. Security did not notice fire or smoke from the building so they immediately notified ERCS and EPA. ERCS newly hired maintenance personnel corrected the false alarm by changing a nitrogen tank that fed the Ansul fire control system.
18. TAT has provided air monitoring in all buildings and is currently formulating a comprehensive health and safety plan for this complex Site. The building that contains approximately 100 drums of unprocessed cyanide liquids

has been sealed. Entry into the cyanide building will be done in Level B only, due to the health risks associated with the tanks and condition of the drums. Entry into this building will be made on a daily basis for inspection purposes.

19. The NYSDEC has provided EPA with a generator list of the drums on-site. This generator list is in software and hard copy form. It appears that some information on the software differs from the hard copy, EPA is working with the NYSDEC to examine these discrepancies. The NYSDEC may also be able to provide EPA with a generator list pertaining to the numerous tanks on-site. The NYSDEC is attempting to access the information contained in computers on-Site.
20. The OSC has directed ERCS to provide 24 hour coverage at the Site with personnel able to respond to spills or maintenance incidence. The night shifts will also pump the sump waters as needed.

C. Future Actions

1. The OSC and ETI will develop an operation and maintenance work plan summarizing routine responsibilities and tasks that will be required along with their frequency. They will also prepare a checklist of these activities for recordkeeping purposes.
2. TAT will modify the Site contingency plan and consolidate into a Health and Safety Plan for the Site.

D. Key Issues

1. EPA will arrange an enforcement strategy meeting on-site to discuss PRP involvement, list of PRPs generated to date, enforcement approach, the preparation of notice letters, orders, 104 e's etc., organization/development of a system designed to handle responses to notices and disposition of vender equipment on-site.
2. EPA will meet with local emergency response officials. EPA will provide an overview/summary of what is present on-site and present contingency plan and emergency procedures.

IV. COST INFORMATION:

	Amount Budgeted	Cost To Date (As of 12/28/92	Amount Remaining
Verbal Amount	\$ 500,000	Obligated to DCN# 932AKE0004 \$ 150,000	Amount Unobligated \$ 350,000
Cleanup Contractor DCN # 932AKE0004	\$ 150,000	\$ 21,000	\$ 129,000
<u>EPA/TAT</u>	<u>\$ 250,000</u>	<u>\$ 20,000 (EST)</u>	<u>\$ 230,000</u>
SITE TOTAL	\$ 750,000	\$ 41,000	\$ 709,000
(DCN TOTAL)	\$ 150,000	\$ 21,000	\$ 129,000